

CHAIRMAN'S STATEMENT ON CORPORATE GOVERNANCE

Dear Shareholders

Since March 2018, in compliance with the change in the AIM Rules for Companies, the Company has adopted the Quoted Companies Alliance (“QCA”) 2018 Corporate Governance Code as it believes it to be a well-established corporate governance framework grounded in international best practices which is appropriate for the Company given its size and Investment Policy.

The QCA 2018 Corporate Governance Code sets out ten principles of corporate governance:

Companies need to deliver growth in long-term shareholder value. This requires an efficient, effective and dynamic management framework and should be accompanied by good communication which helps to promote confidence and trust.

Deliver growth

1. Establish a strategy and business model which promotes long-term value for shareholders
2. Seek to understand and meet shareholder needs and expectations
3. Take into account wider stakeholder and social responsibilities and their implications for long-term success
4. Embed effective risk management, considering both opportunities and threats, throughout the organisation

Maintain a dynamic management framework

5. Maintain the board as a well-functioning, balanced team led by the chair
6. Ensure that between them the directors have the necessary up-to-date experience, skills and capabilities
7. Evaluate board performance based on clear and relevant objectives, seeking continuous improvement
8. Promote a corporate culture that is based on ethical values and behaviours
9. Maintain governance structures and processes that are fit for purpose and support good decision-making by the board

Build trust

10. Communicate how the company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders

It should be noted that during the year to 31 March 2018 the Company was not under an obligation to actually comply with any Corporate Governance code but nonetheless had been using the QCA Corporate Governance Code as a suitable framework to guide the Board.

I address each of the QCA 2018 Corporate Governance Code's ten principles of corporate governance in turn below.

1. Establish a strategy and business model which promote long-term value for shareholders

The Company's strategy is to establish a business development and investment platform that seeks to make sensible investments in Myanmar, to capitalise on the growth opportunities there.

A more detailed analysis of the implementation of the Company's business strategy is set out in detail in the "Investment Policy" section of the Directors' Report.

In essence the Company is seeking to make capital gains and/or derive income from investments in Myanmar.

The key challenges are those that derive from:

- Operating in a frontier economy, including the attendant higher operating expenses and relatively limited pool of experienced executives and network of professional advisers; and
- Sourcing, making, managing and realising investments.

The Board seeks to manage the risks inherent in this strategy by:

- Recruiting high calibre and experienced professionals and providing them with meaningful incentives that are aligned to the interests of shareholders;
- Maintaining and developing an active presence on the ground in Yangon;
- Maintaining and developing a network of Myanmar contacts to assist in investment sourcing, execution and realisation as well as maintaining a strong "finger on the pulse" of developments in the country;
- Conducting robust due diligence on investment opportunities and negotiating minority protections where applicable;
- Maintaining a rigorous monitoring process of both the executive staff and the investee companies;
- Ensuring an on-going programme of staff training on investing, changing rules and regulations in Myanmar and business ethics; and
- Proactively looking for opportunities to add value to each of the investee companies.

The section on "Risk Factors" on page 54 of the Company's Admission Document, which can be found on the Company's website, should also be read.

2. Seek to understand and meet shareholder needs and expectations

The Company was established for a very specific purpose and this purpose has been clearly communicated to potential shareholders, initially through the Admission Document, a copy of which is on the Company's website. In addition, the Company's website, in compliance with AIM Rule 26, contains a detailed description of the Company and its business.

Since Admission the Board has sought to maintain an open dialogue with the Company's shareholders through:

- its Annual General meeting;
- the Regulatory News Service ("RNS") system of the London Stock Exchange;
- periodic mailing and press releases;
- its website myanmarinvestments.com;
- meetings with shareholders in the major financial cities in which its shareholders are based, including Singapore, Hong Kong, Bangkok, Dubai, Hamburg, London and Edinburgh;
- the Company's investor forums which have been held in Yangon; and

- maintaining an active social media communications platform through LinkedIn, Twitter and Facebook, today the latter having over 4,800 followers.

In addition, the Company responds promptly to any requests for information from shareholders and potential investors, within the limits of ensuring that unpublished price sensitive information is disclosed only via the appropriate regulatory channels.

The Company believes it has been successful in maintaining an open and transparent dialogue with its shareholders, especially given its relatively small size and limited personnel.

In terms of communication, shareholders and potential investors can use the dedicated email address enquiries@myanmarinvestments.com or contact directly Mike Dean, the Finance Director on mikedean@myanmarinvestments.com

or

William Knight (Chairman)	william.wknight@gmail.com
Aung Htun (Deputy Chairman)	aunghtun@myanmarinvestments.com
Craig Martin (Managing Director)	craigmartin@myanmarinvestments.com

3. Take into account wider stakeholder and social responsibilities and their implications for long-term success

The Board seeks to take into account the views of other stakeholders, other than the shareholders, in the execution of the Company's Investment Policy.

Other stakeholders that the Board seeks to engage with include:

- Employees – the Company seeks to provide a rewarding career for its staff in a caring and encouraging environment that enables each individual to maximise their potential. As illustrations of this, but by no means an exhaustive summary:
 - the Company provides extensive training for its staff, including on the job training that is supplemented by more formal training courses that are run in-house or by external trainers, including on-line training schemes;
 - the Company considers itself to be 'gender blind' in its approach to its employees: it does not take gender into account when recruiting, promoting, training or remunerating its employees. There has never been an instance of a gender pay gap in its remuneration of its staff; and
 - all new joiners are required to confirm they are familiar with the Employee Handbook, including the sections on:
 - non-discrimination ("*employees are not to engage in any practice or behaviour which discriminates against another person on the grounds of their age, sex, race, religion or physical attributes. Similarly, the Company will not tolerate aggressive or bullying behaviour within the workplace*"); and
 - ethics, including understanding the Company's policy on bribery, confidentiality and its Share Dealing Code.
- Partners – the Company seeks to be a reliable and supportive business partner to each of its co-investors, looking to add value wherever possible and to work together to maximise the value of each business. In this context 'value' may not just be financial value but also the value that the businesses bring to their own employees, sub-contractors, customers and local communities. For example, working with our joint venture partners to ensure that the lending practices of MFIL

adhere to the highest ethical standards, or working with Apollo Towers to ensure that child labour is not used by any of its sub-contractors.

- Community – the Company’s three investments all have significant positive benefits for the communities in which they operate:
 - Apollo Towers provides essential infrastructure on which the country’s telecommunication network depends. Myanmar people can now readily communicate and access information and this not only brings education and enrichment to their lives but also supports their, and the country’s, economic advancement;
 - MFIL provides much needed access to financing for people wishing to start and develop their simple micro-businesses. This is an area that Myanmar, like many emerging economies, desperately needs; and
 - Medicare aims at providing a wider range of international and authentic brands of health and beauty products to its customers. Every Medicare store adheres to Good Pharmacy Practice to contribute to health improvement and to help customers with health problems make the best use of genuine, high quality and affordable medicines.
- Society – where appropriate the Company has supported local charitable causes. During the devastating floods of 2015 it donated to the Red Cross to assist in its effort in alleviating the damage done by the storms. Our 2018 calendar shows a different local charity each month. The Company made a modest donation to each and provided the contact details so that others might be able to also support them if they felt so moved.

4. Embed effective risk management, considering both opportunities and threats, throughout the organisation

The Board is responsible for managing the risks inherent in the Company’s strategy and the implementation of that strategy. The Group’s risk management policies are established to set out its overall business strategies, tolerance of risk and general risk management philosophy. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group’s activities.

To ensure that appropriate resources are focussed on the key risk areas the Board has set up two sub-committees: the Investment Committee and the Audit Committee.

Investment Committee

The Investment Committee comprises Aung Htun, Michael Dean, Henrik Bodenstab and Craig Martin and for the year under review was chaired by Craig Martin, who at the time was an independent non-executive director. Since the financial year end, Craig Martin has become Managing Director and Henrik Bodenstab has become Chairman of the Investment Committee.

During the year under review there were 17 meetings of the Investment Committee and all the members of the committee attended all of the meetings.

The Investment Committee is the principal manager of the Company’s exposure to risk that might arise from within the Company’s core investing activities. The Investment Committee has responsibility for, amongst other things, establishing the investment policy, guiding management in the execution of this policy, monitoring the deal flow and investments in progress, supervising the management team’s handling of investments, and planning the realisation of investments. During the year under review, the Investment Committee carried out quarterly evaluations of each of the investments, assessed a number of specific new investment opportunities, and reviewed and prioritised the deal flow of potential investment opportunities. The Investment Committee has made

recommendations to the Board regarding making investments and is responsible for computing the Company's net asset value for the Board's consideration.

Audit Committee

The Audit Committee comprises Craig Martin, William Knight and Henrik Bodenstab and for the year under review was chaired by Craig Martin, who at the time was an independent non-executive director. Since the financial year end Craig Martin has become Managing Director and William Knight has become Chairman of the Audit Committee.

During the year under review there were five meetings of the Audit Committee and all the members of the committee attended all of the meetings.

The Audit Committee has responsibility for, amongst other things, the planning and review of the Company's annual report and accounts and half-yearly reports and the involvement of the Company's auditors in that process. The Audit Committee also has oversight of the Company's cash flow projections. The committee focuses in particular on compliance with legal requirements, accounting standards and on ensuring that an effective system of internal financial control is maintained over the Group's underlying assets and liabilities as well as the books and records. The ultimate responsibility for reviewing and approval of the annual report and accounts and the half-yearly reports remains with the Board.

The Audit Committee has responsibility for, and the effectiveness of, the Group's internal control systems. However, the system of internal controls is designed to manage rather than eliminate the risk of failure to achieve business objectives and as such can only provide reasonable, but not absolute, assurance against material misstatement or loss. In the last annual report, the Audit Committee confirmed that it had reviewed the Group's risk management and internal control systems and believes that the controls are satisfactory given the size and nature of the Group.

The Audit Committee also advises the Board on the appointment of the external Auditors, reviews their fees and the audit plan. It approves the external Auditors' terms of engagement, their remuneration and any non-audit work. The AC confirms that they have taken all reasonable steps to make themselves and the auditors aware of any information needed by the Company's auditors for audit purposes.

The Audit Committee also meets the Group's auditors and reviews reports from the Auditors relating to accounts and internal control systems. The Audit Committee meets with the Auditors as and when the Audit Committee requires and, in conformity with good practice, meets the Auditors without the presence of the executive directors.

Auditor objectivity and independence is safeguarded through limiting non-audit services to tax work.

Share Dealing

The Company has adopted a share dealing code to comply with the EU Market Abuse Regulation ("MAR") that is consistent with the obligations set out in Rule 21 of the AIM Rules for Companies relating to directors' dealings in ordinary shares and warrants. The revised share dealing code was approved by the Board on 3 July 2016. The Company takes all reasonable steps to ensure compliance by the Directors and the Group's applicable employees.

The Takeover Code

As the Company was incorporated in the BVI, it is not treated as being resident in the UK, the Channel Islands or the Isle of Man by the UK Panel on Takeovers and Mergers and therefore it is not subject to

the UK Takeover Code. However, the Company has incorporated certain provisions into its articles of association which are broadly similar to those of Rules 4, 5, 6 and 9 of the Takeover Code. It should however be noted that, as the Takeover Panel will have no role in the interpretation of these provisions, shareholders will not necessarily be afforded the same level of protection as is available to a company subject to the Takeover Code which now has the effect of law for those companies within its jurisdiction. Additionally, the Directors have the right to waive the application of these provisions.

Financial Action Task Force (“FATF”)

The Company’s operations manual is drafted to ensure the policies and procedures associated with its operations and investments are compliant with FATF requirements.

On 24 June 2016 Myanmar was recognised by the FATF as having made significant progress in addressing its strategic anti-money laundering/counter terrorist financing deficiencies earlier identified by the FATF and included in its action plan. As a result, Myanmar is no longer subject to monitoring by the FATF.

5. Maintain the board as a well-functioning, balanced team led by the chair

The Board seeks to ensure that it is comprised of a well-balanced mix of professionals whose individual skill sets and extensive experiences complement each other to ensure that the Board has the requisite resources to enable the Company to achieve its strategic goals. If resources permitted, the Board would consider the inclusion of other members with diverse backgrounds to provide a broader range of skill sets, perspectives and experiences.

The Board is responsible for setting Company strategy and then ensuring that the Company has the requisite wherewithal to achieve that strategy.

Out of a total of six directors, the Board comprises two executive directors (Craig Martin, the Managing Director, and Michael Dean, the Finance Director), one non-executive non-independent director (Aung Htun) and three non-executive independent directors (William Knight, Henrik Bodenstab and Christopher Appleton). There is a clear separation of the roles of the Managing Director and the Chairman.

The Board meets regularly and is provided with timely updates and information from the two Executive Directors. As and when there are urgent commercial or other corporate matters, Board meetings are convened to seek guidance from the Board or to elicit a decision. All directors are expected to act in good faith and to act in the interests of the Company.

The Chairman oversees the agenda for all Board meetings liaising closely with the executive and non-executive directors. The same applies for the meetings of the various committees outlined below and their respective chairmen. The Chairman is specifically responsible for the Chairman's Report and the Chairman’s Statement on Corporate Governance in the Annual Report, and answerable to the shareholders on behalf of the Board for them. The Chairman is ultimately responsible to shareholders for the ethos, and oversight of good practice, of the executive management.

The Board is supported by the Investment Committee, the Audit Committee, the Remuneration Committee and the Nomination and Corporate Governance Committee. Since Admission, these committees have been established with clear terms of reference and they regularly review matters within their purview.

The Directors have access to the Company's nominated adviser ("Nomad"), broker, legal advisers, auditor, company secretary and, should it prove necessary in the furtherance of their duties, to independent professional advice at the expense of the Group.

Unless there is an unexpected event, Board and committee meetings are scheduled well in advance at a time and place that will enable the Directors to participate. All members of the Board are expected to attend each Board meeting and to arrange their schedules accordingly, although non-attendance is occasionally unavoidable.

An agenda and supporting papers are circulated to the Board and the relevant committees well in advance of the meeting. Directors may request any agenda items be added that they consider appropriate for Board discussion. Additionally, each Director is required to inform the Board of any potential or actual conflicts of interest prior to Board discussion.

The non-executive directors monitor any related party transactions.

Directors' and Officers' liability insurance cover is maintained by the Company on behalf of the Directors.

Number of meetings and Directors' attendance

During the year under review there were 24 Board meetings and all directors attended all of them.

During the year under review there were appropriately timed meetings of each of the sub-committees: the Investment Committee held 17 meetings; the Audit Committee held five meetings; the Remuneration Committee held six meetings; and the Nomination and Corporate Governance Committee held three meetings. All the members of the various committees attended all of their respective meetings.

6. Ensure that between them the directors have the necessary up-to-date experience, skills and capabilities

The following is a summary of the relevant experiences, skills and personal qualities and capabilities that each director brings to the Board. It should be read in conjunction with their biographies above.

Christopher William Knight, *Independent Non-executive Chairman*

Mr Knight has held a long career in the financial services sector, first at Lazard Brothers as an export credit negotiator and then within the Lloyds Bank group over 18 years in a variety of senior positions including spells in Hong Kong, covering the Indo-Asia Pacific region, and Portugal, where he directed the Bank of London and South America, a wholly owned subsidiary of the Lloyds Bank group. The experience prepared him well for a career dedicated to financing the development of frontier and emerging economies as an independent practitioner. It is his long-standing and on-going experience as a board member of a variety of both listed and private investment companies for frontier markets, his chairmanship of a variety of AIM listed companies as well as his strategic knowledge of many parts of Asia, that he brings to the Board of Myanmar Investments; (Myanmar being a country in which he was first doing business over 35 years ago). His breadth of knowledge, relevant experience and independence of thought complements the other members of the Board.

His current Chairmanship of a Hong Kong based sustainable technology investment company and his on-going advisory roles relating to the Asian region ensures that not only is he regularly visiting the region but also is maintaining an up-to-date knowledge base. He also regularly attends relevant conferences, seminars and meetings of professional bodies.

Maung Aung Htun, *Non-Independent Deputy Chairman*

Aung Htun has worked in Thailand for over 30 years during which time he founded, and was Managing Director of, Seamico Securities, a leading investment banking and broking company which went public in 1995. He has also led, or is an investment committee member of, various Thai focussed private equity investment operations which have exposed him to a variety of industrial sectors. In these roles he has built up a wide network of senior corporate executives, entrepreneurs and investor contacts, many of which have shown interest in Myanmar.

Mr Htun has a long experience of involvement in governance and management of publicly listed companies. In addition to Seamico Securities, he founded and was on the board of Siam Selective Growth Trust Plc. (a London Stock exchange listed investment trust managed by Seamico) and has sat on the boards of various Stock Exchange of Thailand listed companies as a non-executive director as well as an audit committee member.

In addition to commercial interests in Myanmar he has been appointed by Myanmar's State Counsellor to the committee to review the restructuring of the Yangon Electricity Supply Company.

Through these various roles Aung Htun brings financial, governance, management and investment experience as well as a wide network of relationships in both Myanmar and Thailand which is a key investor in, and trading partner of, Myanmar.

He attends seminars and training courses in both Bangkok and Yangon on pertinent subjects.

Craig Robert Martin, *Managing Director*

For the past 25 years Mr Martin has worked and invested in a number of the emerging and frontier markets of South East Asia including Cambodia, Laos, Vietnam and Myanmar. In addition to working with entrepreneurs and providing market entry and consulting studies for multinationals in these markets, he has led investments across South East Asia for institutional investors including Standard Chartered Bank, Prudential and CapAsia. Mr Martin has also lived in Cambodia and Vietnam giving him first-hand experience of the challenges of working in markets such as Myanmar.

With these accumulated experiences, Mr Martin is well versed in the origination, negotiation and financing of investment opportunities in countries not dissimilar to Myanmar. He has also successfully overseen the development of such investments and led them to profitable exits. His work with international investors makes him very familiar with international standards of corporate governance.

Mr Martin is a regular contributor and attendee at conferences on investing in South East Asia. He is a member of the Singapore Institute of Directors and keeps himself updated on corporate governance and risk management through seminars and publications.

Anthony Michael Dean, *Finance Director*

Mr Dean is a qualified accountant (ICAEW) and a member of the UK's Chartered Institute of Taxation and the Singapore Institute of Directors. He has lived in Asia for 25 years of his 35 year career working in many of the emerging economies of the region. During this time he has held senior posts in financial institutions such as CLSA (Head of its Investment Banking and co-Head of its Private Equity businesses) and Prudential plc's Asian private equity division as well as spending 10 years in shipping as CFO of the Epic Group. He is a non-executive independent director of Singapore main board listed Delfi Limited, where he chairs both the Audit Committee and the Risk Management Committee.

This accumulated experience makes him ideally placed to provide both the financial disciplines and investment acumen that the Company, and its investee companies, need. This is especially so in the context of a listed company doing business in a challenging emerging economy such as Myanmar.

Mr Dean regularly attends seminars and courses in Yangon on the changing economic, legal, banking and commercial landscape. He also attends courses in Singapore on changes in accounting standards, risk management and other pertinent topics.

Henrik Onne Bodenstab, *Independent Non-executive Director*

Mr Bodenstab has over 25 years of relevant professional experiences which he brings to the Company in his role as an Independent Non-executive Director and Chairman of the IC.

During his tenure at the Boston Consulting Group Mr Bodenstab had extensive engagements in various industries, which covered broad strategic, as well as operational challenges. This allowed him to gain very relevant experiences in effectively and systematically approaching new industries and companies.

After his time as a consultant Mr Bodenstab worked in executive operational roles both in companies he founded as well as larger established entities. During this time Mr Bodenstab gained expertise in many of the industries that Myanmar Investments is actively engaged in. He also worked extensively throughout Asia gaining first-hand experiences of the challenges and opportunities of newly developing markets.

Since 2014 Mr Bodenstab has been a partner in a private equity company. He has had extensive experience both of executing a number of investments for the funds it manages and of being engaged in multiple processes on the buy and sell side. This has equipped Mr Bodenstab to provide in-depth advice on the due-diligence processes, financing and funding rounds, development of investments to maximise returns for shareholders, as well as the development of corporate governance protocols appropriate for an institutional investor.

Overall Mr Bodenstab brings many years of expertise in strategic, operational and financial matters which are of great benefit to the Company.

Christopher David Appleton, *Independent Non-executive Director*

Mr Appleton has held senior positions in the financial industry in Asia over a career of over 30 years. Initially training as a credit analyst in the Asia Pacific Banking department of Kleinwort Benson and taking a diploma in Accounting and Finance, Mr Appleton then developed these skills of analysing companies to the equity side of the business as an equity analyst in the Tokyo market covering a variety of companies in the automotive, aerospace and railway sectors. During a spell in Seoul he also brought these skills to the then emerging market of Korean equities and convertible bonds. Assessing the value of companies is a key skill.

After moving to the sales side Mr Appleton was responsible for client relations and how investors evaluate companies. Eventually moving on to equity management he developed skills of managing multinational teams and crafting and meeting budgets. Whilst managing FPK Asia (then a subsidiary of Swiss Re) he was responsible for all aspects of the brokerage in Asia including trading and corporate finance with responsibility for budgets and targets.

During all of his career Mr Appleton has been involved in assessing the quality of investments against other investments, and the reaction of investors. This and the skills of evaluating securities and

managing complex budgets and teams is helpful in being an effective non-executive director on the board of an investing company.

Mr Appleton has attended FT NED events and training sessions in both Hong Kong and London and is also a member of the Guernsey Non-Executive Forum. In addition, he is a member of Chatham House and maintains a key interest in the politics and risks of Asia.

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Collectively the Board believes it has the necessary skill sets to discharge its responsibilities.

The Board draws on specialist legal advice in the UK, Singapore and Myanmar if the need arises.

The Investment Committee will bring in specialist due diligence advisers when assessing the risks inherent in a given investment situation. These might cover commercial, financial or legal due diligence as well as seeking advice on such matters as insurance or IT aspects.

The Remuneration Committee has retained the services of external advisers to assist it in the formulation of compensation arrangements for the Executive Directors.

The NCGC has retained the services of external advisers to assist it in establishing protocols to ensure that the Company's business is conducted so as to comply with the FATF requirements.

7. Evaluate board performance based on clear and relevant objectives, seeking continuous improvement

Since Admission, the Board has sought to ensure that the Board itself was "fit for purpose" and at the same time has adhered to a level of corporate governance appropriate for a London-listed company operating in an emerging economy.

Nomination and Corporate Governance Committee

As such it established the Nomination and Corporate Governance Committee ("NCGC") and set down detailed terms of reference for the NCGC.

During the year under review the NCGC comprised Christopher Appleton, William Knight, Craig Martin and Aung Htun and was chaired by Christopher Appleton. During the year under review there were three meetings of the NCGC and all the members of the committee attended all of the meetings.

The NCGC is responsible for assessing the performance of the Board and the various committees and also considering new or replacement appointments to the Board or senior management. This committee is also responsible for ensuring the Company's compliance with the AIM Rules for Companies as well as other relevant corporate governance standards.

The NCGC annually formally assesses the effectiveness of the Board, the balance of skills represented and the composition and performance of its various committees.

The assessment of each individual board member includes attendance at meetings, preparation for each meeting, co-operation with the other Directors, effectiveness, their ability to follow up on a timely basis, their contact with shareholders, and, where relevant, their effectiveness as a committee chairman. To date none of the Board members has been found wanting and each has been elected to the position of Director by the Shareholders in general meeting.

The assessment of each committee includes regularity of meetings, effectiveness of the committee in meeting its terms of reference, knowledge of the subject matter, agenda making, minutes taken and again the committee's chairman's effectiveness. To date none of the committees has been found wanting.

The assessments of the individual board members and the committees are conducted in private with the individual assessments all being sent to the chairman of the NCGC who in turn reports the overall results to the board. The results have been fairly constant each year and at no time have indicated any areas of serious concern.

The Chairman of the Board has affirmed that the Board is adequately staffed to discharge its duties and each of the Committee Chairmen have confirmed that their Committees are adequately staffed to discharge their duties. The NCGC has confirmed that the Board has an appropriate balance of skills and experience in relation to the activities of the Group.

When considering the appointment and reappointment of Directors, the NCGC and the Board consider whether the Board and its committees have the appropriate balance of skills, experience, independence, knowledge and diversity to enable them to discharge their respective duties and responsibilities effectively.

The NCGC also established guidelines to determine, on an annual basis, the independence of each of the Directors. This requires a statement by each Director to affirm that there are no situations that could compromise their independence. Each other director then also has to affirm that they believe that Director to be independent. The process is repeated for all the four independent directors. To date all independent directors have been affirmed as being independent.

As of the date of this report the Board consists of six Directors. The Board does not believe that it is currently in the best interests of the Group to seek to appoint a new Director, in addition to the current Directors, to broaden the diversity of the Board. At the next occasion when the Board is looking to add new members, the Board would look to take that opportunity to redress the present gender imbalance, provided that a suitable candidate can be identified.

Shareholders vote on the re-appointment of at least one Director at each Annual General Meeting, with every Director's appointment being voted on by shareholders every three years.

During the year under review the NCGC ensured that all new employees received appropriate training and the employment handbook, which includes adequate explanation on such topics as share dealing, anti-bribery legislation, anti-money laundering and whistle blowing.

The NCGC has direct access to the Company's Nomad and, in conformity with good practice, non-executive members of the committee periodically met with the Nomad without the presence of the executive directors during the year under review.

The Board has direct access to the Company's statutory auditor and, in conformity with good practice, the members of the Audit Committee meet with the statutory auditor, at least once without the presence of the executive directors.

8. Promote a corporate culture that is based on ethical values and behaviours

The Company's corporate culture is a blend of its vision, its values, its people and its practices.

Our vision is to build a diversified but focused stable of businesses that will benefit from Myanmar's emergence.

Our values are established by the Board and in particular the Executive Directors. These are conveyed to our staff and other the stakeholders through our business practices.

As noted above, the Company sets great store by ensuring that not only are its own operations conducted ethically but also the businesses of its investee companies must be run on similar lines.

In this regard the evaluation of both our staff and our investee companies includes an assessment of ethical behaviour. Any new investment opportunity is subject to our own proprietary "Business Integrity" assessment before we will proceed with it.

The Board ensures that during the year it interacts with all of our staff and all of our business partners to ensure that there is a consistency in their feedback on the values and corporate culture that we aspire to.

9. Maintain governance structures and processes that are fit for purpose and support good decision-making by the board

The Board is responsible for managing the Company in pursuing its clearly stated strategy.

The day-to-day running of the Company is the responsibility of the Executive Directors who are well versed in making investments of the type required by the Company's strategy as well as the responsibilities of a listed company.

The Managing Director in particular is responsible for the overall control and management of the Group, the development and implementation of the Group's investing and business strategies, for directing the Group's investment activities so as to achieve its strategic objectives, management of shareholder relations, and responsibility for planning and execution of fundraising activities.

The Finance Director in particular is responsible for the overall control and management of the finance and accounting functions of the Group, including the development of adequate internal controls, the maintenance of the Group's HR and IT systems, and for compliance with the Company's obligations as a BVI company and an AIM listed company.

In discharging this responsibility, the Board has established sub-committees to focus on key areas of risk management and good corporate governance. The work and terms of reference of the Audit Committee and the Investment Committee are described in Section 4 above and similarly the terms of reference of the NCGC is described in Section 7 above.

Remuneration Committee

The Remuneration Committee comprises William Knight, Craig Martin, Christopher Appleton and Henrik Bodenstab and is chaired by William Knight.

During the year under review there were 6 meetings of the Remuneration Committee and all the members of the committee attended all of the meetings.

The Remuneration Committee is responsible for establishing a formal and transparent procedure for developing policy on executive remuneration and to set the remuneration packages of individual Directors. This includes agreeing with the Board the framework for remuneration of the Managing Director and the Finance Director and such other members of the executive management of the Company as it is designated to consider. This includes the administration of the Employee Share Option Plan and the Carried Interest Scheme. It is also responsible for determining the total individual remuneration packages of each Director including, where appropriate, bonuses, incentive payments and allocation of Share Options. No Director plays a part in any decision about his own remuneration.

The Remuneration Committee's report for the year is included within this Annual Report.

10. Communicate how the company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders

During the year under review, although the Company was not under an obligation to actually comply with any corporate governance code, nonetheless it had been using the QCA Corporate Governance Code as a guideline. There were no instances where there was a breach or a departure from the principles of the QCA Corporate Governance Code.

It is my belief that this report, taken together with our Annual Report, should provide the reader with a clear understanding of:

- the Company's strategy;
- the inherent risks in executing that strategy;
- the risk management processes taken to minimise risks and maximise returns;
- the allocation of duties between the Board, its sub-committees and the Executive Directors;
- our efforts to conduct an open dialogue with our shareholders;
- the engagement of the Company with other stakeholders; and
- the promotion and preservation of our Corporate culture.

Should anyone have any further questions or suggestions on how we might reasonably improve our performance in this regard then I would heartily encourage them to contact either myself (william.wknight@gmail.com) or either of the Executive Directors at their email addresses listed above in Section 2.

Yours faithfully

William Knight
Chairman of the Board
21 September 2018